# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA



Order Instituting Rulemaking Regarding Broadband Infrastructure Deployment and to Support Service Providers in the State of California.

R. 20-09-001 (Filed September 10, 2020)

# REPLY COMMENTS OF PACIFIC BELL TELEPHONE COMPANY D/B/A AT&T CALIFORNIA (U 1001 C) ON PHASE II-A PILOT PROPOSALS

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Pursuant to the *Assigned Commissioner's Second Amended Scoping Memo and Ruling* issued August 2, 2021 ("Second Scoping Memo"), Pacific Bell Telephone Company d/b/a AT&T California ("AT&T") respectfully submits reply comments in this proceeding.

#### I. INTRODUCTION

AT&T recommends that the California Public Utilities Commission ("Commission") focus its efforts and available resources on supporting private sector deployment of broadband infrastructure to provide last-mile connectivity to unserved communities in California.

To the extent entry by investor-owned utilities ("IOUs") does occur, it is critical for guardrails to be put into place to assure a level playing field among competitors in the broadband ecosystem. This includes prohibitions against cross-subsidization and other advantages that can skew the market in favor of electric utilities and undermine incentives for internet service providers ("ISPs") to invest and innovate, thereby negatively impacting consumers.

Because this proceeding is experimental in nature, any standards or conditions that the Commission may adopt in this phase should apply only to IOU pilot projects that come to fruition. Any standards of general application should be adopted through a separate proceeding that includes the proposal of specific standards and provides an opportunity for comment on those standards.

#### II. REPLIES TO SPECIFIC COMMENTS

The Public Advocates Office states that the Commission should require communications service providers that currently serve customers in pilot proposal areas to continue to do so;

<sup>&</sup>lt;sup>1</sup> See also, E-mail Ruling Extending Filing Deadline for Investor Owned Utilities for Fiber Pilot Proposals, Rulemaking (R.) 20-09-001 (July 13, 2021).

providers "should not be permitted to abandon customers in the area after new last mile communication service providers begin offering service as a result of the pilot projects." Adoption of such a requirement would exceed the scope of Rulemaking 20-09-001 and could also exceed the scope of the Commission's jurisdiction. The Commission has existing rules that carriers must follow if they wish to terminate a regulated service. Relatedly, AT&T has no plans to "abandon customers" that it may serve in any area in which a pilot project is implemented.

In their comments, the Rural County Representatives of California encourage the Commission to authorize all electric IOUs to operate as commercial telecommunications carriers.<sup>4</sup> There are specific Commission requirements, including those for granting of Certificates of Public Convenience and Necessity, that must be followed in order for any company to become a telecommunications carrier in this state. Those rules should be followed for any company that seeks to be a telecommunications carrier, and any blanket authorizations would be in violation of those requirements.

AT&T welcomes the suggestion of the California Emerging Technologies Fund that the Commission should approve a blanket Cal. P.U. Code Section 851 waiver for IOU middle-mile broadband projects that bring 100 Mbps download and 20 Mbps upload service to unserved areas.<sup>5</sup> This idea could be taken further by reforming Cal. P.U. Code Section 851 to facilitate the

<sup>&</sup>lt;sup>2</sup> Opening Comments of the Public Advocate's Office on Energy Investor-Owned Utilities' Phase II-A Broadband Pilot Proposals, Rulemaking (R.) 20-09-001, at 5 (Aug. 30, 2021).

<sup>&</sup>lt;sup>3</sup> See Decision (D.) 06-10-021, as modified in D.10-07-024.

<sup>&</sup>lt;sup>4</sup> Opening Comments of Rural County Representatives of California on Phase II-A IOU Broadband Pilot Proposal, Rulemaking (R.) 20-09-001, at 3-4 (Aug. 30, 2021).

<sup>&</sup>lt;sup>5</sup> California Emerging Technology Fund Comments on Phase II-A IOU Broadband Pilot Proposal, Rulemaking (R.) 20-09-001, at 3 (Aug. 30, 2021).

voluntary sharing of network assets. AT&T encourages the Commission to explore whether Section 851 reform would further such arrangements. Moreover, AT&T agrees that IOU facilities should be engineered to provide adequate space for these communications facilities in the event that the IOU must rebuild damaged facilities. Commission rules regarding access to IOU facilities already exist and should remain in place. Additionally, AT&T agrees with the National Diversity Coalition that no evidence has been presented that General Order 95 needs to

### III. <u>CONCLUSION</u>

be modified.<sup>7</sup>

AT&T appreciates the opportunity to provide reply comments in this proceeding on the IOU pilot projects and looks forward to working with the Commission and all stakeholders to evaluate how it can best participate in an IOU project should a viable proposal be identified.

Date: September 13, 2021 Respectfully submitted,

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<sup>&</sup>lt;sup>6</sup> *Id*. at 4.

<sup>&</sup>lt;sup>7</sup> Comments of National Diversity Coalition on Second Amended Scoping Memo and Ruling, Rulemaking, (R.) 20-09-001, at 14-15 (Aug. 30, 2021).